

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

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IN THE MATTER OF TENTATIVE
DECISION TO APPROVE
A LARGE MINE OPERATION AND
RECLAMATION PLAN FOR
LISBON VALLEY COPPER PROJECT
SAN JUAN COUNTY, UTAH

:
:
NOTICE OF TENTATIVE
DECISION TO APPROVE

:
NO. M/037/088

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THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION, MINERAL
AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS INTERESTED IN
SECTIONS 22, 23, 24, 25, 26, 27, 34, 35, 36, T30S, R25E; SECTION 1, T31S, R25E; AND
SECTIONS 30, 31, T30S, R26E, SLBM; SAN JUAN COUNTY, UTAH.

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to
approve Summo USA Corporation's Mining and Reclamation Plan for the Lisbon Valley Copper
Project. Mining activities will effect the following area: SECTIONS 22, 23, 24, 25, 26, 27, 34,
35, 36, T30S, R25E; SECTION 1, T31S, R25E; AND SECTIONS 30, 31, T30S, R26E, SLBM;
SAN JUAN COUNTY, UTAH.

The operator will employ the following mining and reclamation techniques on approximately
1,103 acres of federal, private and state land.

During Operations: Mining operations will be conducted in four open pits encompassing
approximately 231 acres. Overburden and ore will be fragmented for removal by dozers and by
drilling and blasting with ANFO. Waste rock/overburden will be hauled from the open pits to the
waste dumps. Available soils from proposed facilities (pits, haul roads, waste dumps and process
facilities) will be salvaged for use in reclamation. Approximately 449 acres of waste dumps will be
constructed in 40 - 50 foot lifts while maintaining an overall outslope of 2.5h:1v. Approximately
15,000 linear feet of haul roads will be constructed. Ore will be hauled to the crushing facilities
located near the heap leach pad. Ore will be crushed and transferred to the heap leach pad via a
conveyor stacking system. Ore will be placed on the heap in three 36-foot high lifts. The 266 acre
heap leach pad will include a system of synthetic and clay liners and a leak detection system. A
dilute sulfuric acid solution will be applied to the ore. Solutions which have percolated through the
heap will be collected and piped to the pregnant pond. The pregnant solution is then run through the
solvent extraction/electrowinning (SX/EW) plant. Cathode copper produced by the SX/EW plant
would be shipped off site for fabrication purposes.

After Operations: Rock berms or fences will be installed to prevent public access to the pits, which
will remain open. Haul roads which accessed pit bottoms will be ripped, covered with soil and
seeded. The pit perimeters will be planted with indigenous tree species to partially screen the open

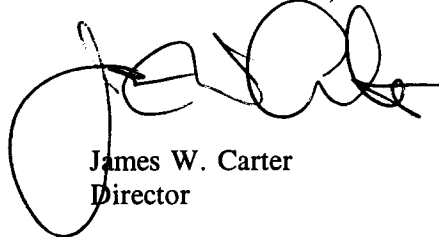
pits. The tops of the waste dumps will be contoured to encourage proper drainage and reclamation, then ripped and scarified to form a roughened seedbed surface. Stockpiled soils will be applied and the area seeded. Leached ore on the heaps will be flushed with fresh water and/or lime to neutralize and reduce the chemical characteristics of the effluent to acceptable levels. The decommissioned heap will be regraded to an overall slope of 2.5h:1v within the boundary of the liner. The top and sides of the heap will be compacted ("track packed"). Waste rock will be placed on top of this compacted layer at a minimum of four feet to provide an adequate rooting zone. Stockpiled soils will be spread on top of the waste rock cap and the area will be seeded. All exterior piping, retention and diversion structures will be removed. Once residual process solutions have been treated and the ponds are dry, the liners will be folded into the ponds. Waste rock will be placed over the liners, then covered with stockpiled soils and seeded. Fertilizer will be applied if needed, based on test plot results and soil testing. No chemical or electrical hazards will remain after closure. All buildings, foundations, and associated facilities will be dismantled and removed from the site or buried. Facility areas will be contoured to prevent erosion. Stockpiled soils will be applied and the areas seeded. Roads and other non-essential facilities will be ripped, as necessary, graded to route runoff, covered with soils and seeded. The site will be monitored for a minimum of two years following completion of all final reclamation activities.

The person representing the company is Mr. Robert Prescott; Phone (801) 259-3077. Summo USA Corporation is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 6th day of November, 1996

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



James W. Carter
Director

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Notice of Tentative Approval for Summo USA Corporation's Lisbon Valley project to be mailed by first class mail, postage prepaid, the 7th day of November, 1996 to:

FACSIMILE to:
Salt Lake Tribune
Legal Advertising
P.O. Box 867
Salt Lake City, Utah 84110-0867

FACSIMILE to:
The Times-Independent
P.O. Box 129
Moab, Utah 84532-0129

FACSIMILE to:
San Juan Record
Legal Advertising
P.O. Box 879
Monticello, Utah 84535-0879

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Bureau of Land Management
Moab District Office
82 East Dogwood Avenue
Moab, Utah 84532

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6503 South 1090 West
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